

Jan. 31st is Earned Income Tax Credit Awareness Day

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Tax Refund for Low-Income Workers Is Available

(Hackensack, NJ)â€rdquo;With tax season upon us, the Internal Revenue Service (IRS) will host an Earned Income Tax Credit (EITC) Awareness Day on January 31, 2008. The EITC is a federal income tax credit for low-income workers that can lower taxes by hundreds or thousands of dollars. If the amount of the credit exceeds the amount of tax owed, it can also result in a sizable tax refund. Congressman Steve Rothman (D-NJ), a strong supporter of targeted tax relief such as the EITC, joins the IRS in urging New Jerseyans to determine whether they qualify for this vital tax benefit.

"The Earned Income Tax Credit can lower taxes for a working family by as much as \$4,716 this year and possibly result in a tax refund. Yet, the IRS estimates that millions of Americans nationwide do not receive this benefit each year simply because they failed to fill out the proper forms. Don't let this happen to you," cautions Rothman. "If you need a reminder, mark Thursday, January 31st on your calendar as the day you find out if you're eligible for this important tax credit and how to claim it."

Taxpayers can call the IRS at 1-800-906-9887 or contact the New Jersey Department of Taxation at 609-292-6400 to inquire about their EITC eligibility and how to claim the benefit. According to the IRS, during 2007 qualifying taxpayers must have had investment income of \$2,900 or less and earned income and adjusted gross incomes under:

- \$37,783 (\$39,783 married filing jointly) with two or more qualifying children;
- \$33,241 (\$35,241 married filing jointly) with one qualifying child;
- \$12,590 (\$14,590 married filing jointly) with no qualifying children.

Congress created the EITC in 1975 to help offset Social Security taxes for low-income workers and provide an incentive for work. Since that time, the EITC has grown to be one of our country's most successful anti-poverty programs. A recent U.S. Census Bureau study found that 4.6 million people - including 2.4 million children - were lifted out of poverty in 2002 thanks to the EITC.

Free Tax Assistance

Free tax assistance is available to individuals of low to moderate income, seniors, people with disabilities, and members of the Armed Forces. These tax centers are located throughout the state and are staffed by individuals trained to prepare federal and state tax returns. Many of these sites prepare tax returns on computers and use electronic filing.

When calling the IRS or Department of Taxation, individuals seeking free assistance should ask where to find the nearest Volunteer Income Tax Assistance (VITA) site. AARP-run Tax Counseling for the Elderly (TCE) sites can be located by visiting <http://www.aarp.org/money/taxaide/> or calling the National AARP office at 1-888-AARP-NOW (1-888-227-7669).

Marines, airmen, soldiers, sailors, and guardsmen, and their families worldwide should inquire about free tax preparation sites within their installations. Coordinated by the Armed Forces Tax Council, these sites are staffed with tax preparers trained and equipped to address military-specific tax issues, such as combat zone tax benefits and the Earned Income Tax Credit guidelines as applied for soldiers.

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VITA/TCE sites in New Jersey

* This list is provided courtesy of the IRS and is saved as an Excel document. It was last updated January 18, 2008 and is subject to change.